



CITY OF HAYWARD

AGENDA REPORT

AGENDA DATE 12/19/00

AGENDA ITEM 3

WORK SESSION ITEM

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Participation in the **PG&E** LED Traffic Signal Rebate Program

RECOMMENDATION:

It is recommended that the City Council approve the attached resolution approving participation in **PG&E's** LED Traffic Signal Rebate Program, and appropriating \$480,000 in the Transportation System Improvement Fund for that purpose.

BACKGROUND:

In January 1998, the Council took actions to take advantage of the opportunity to significantly improve the energy efficiency of the City's traffic signal system through implementation of a red light "light emitting diode" (LED) retrofit program. This program has been successfully implemented, and the stream of rebate payments has exceeded projections.

As Council is aware, energy consumption has become an even greater problem this year, which has encouraged further conservation-incentive programs. **PG&E** has developed an expansion of its earlier LED Traffic Signal Conversion Program. In September 2000, the City was made aware of this program, which provides rebates to encourage public agencies to replace incandescent traffic signals with **LEDs**. The rebates will cover the major portion of the material costs for installing red, green, amber, and pedestrian LED traffic signal modules.

Only \$12 million is available for all **PG&E** customers. This significant rebate program was approved as an incentive to reduce peak energy use prior to next summer. The LED modules must meet Caltrans or the Institute of Transportation Engineers specifications. If the new **LEDs** are not installed by June 1, 2001, rebates are reduced by 50 percent. Funds were to be allocated on a first-come first-serve basis.

In order to insure maximum rebates for the City, staff submitted a preliminary application to **PG&E** covering the installation of 1855 LED green signal modules and 950 LED pedestrian combination hand/walking person signals. This was based on an estimated number of signal heads. As noted above, the City's red signals were retrofitted to LED under the previous LED program. The Institute of Transportation Engineers has now adopted standards for the green and pedestrian signal modules; however, standards have not yet been adopted for the yellow modules. In addition, since by agreement the City pays the 'energy costs for Caltrans

maintained signals, we plan to also retrofit the state signals, as we did previously in the red LED program. Caltrans will do the installation on their 39 signals, and our signal maintenance contractor will do the installations on the City's 92 signals.

On November 8, 2000, **PG&E** notified the City it had approved the City's application under its LED Traffic Signal Rebate Program. Subsequently, a complete inventory of green and pedestrian signal indicators for both City and Caltrans-owned traffic signals was completed. These actual numbers demonstrate that the City will be eligible for a \$327,000 rebate after spending \$480,000, resulting in a net cost to the City of \$153,000 for this project. However, it is estimated that the City's traffic signal energy costs will be reduced by over \$75,000 annually once all the **LEDs** are installed. This is based on present **PG&E** electricity rates; and, of course, if rates do increase significantly as discussed recently in the press, it will be even more important to reduce our total kilowatt usage.

FUNDING:

It is recommended that \$480,000 be appropriated for a new LED Traffic Signal Project in the Transportation System Improvement Fund. Since rebates will reimburse \$327,000, the net cost to the City will be \$153,000. Sufficient funds are available in the Transportation System Improvement Fund balance for this purpose.

SCHEDULE:

The proposed schedule for the City's participation in this LED Traffic Signal Rebate Program is driven by the rebate grant requirements. Thus, a requisition to purchase the equipment needs to be issued in early January 2001, and all installations must be completed by June 1, 2001.

Prepared by:



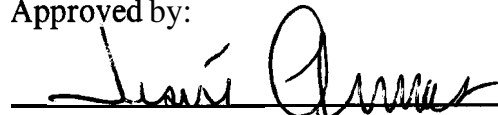
Robert A. Bauman, Deputy Director of Public Works

Recommended by:



Dennis L. Butler, Director of Public Works

Approved by:



Jesús Armas, City Manager

DRAFT

HAYWARD CITY COUNCIL



RESOLUTION NO. _____

Introduced by Council Member _____

RESOLUTION APPROVING PARTICIPATION IN THE **PG&E** LED TRAFFIC SIGNAL **REBATE** PROGRAM AND AMENDING RESOLUTION NO. 00-089, THE BUDGET RESOLUTION FOR CAPITAL PROJECTS FOR FISCAL YEAR 2000-2001, RELATING TO AN APPROPRIATION OF FUNDS FOR A NEW LED TRAFFIC SIGNAL PROJECT

WHEREAS, in order to insure maximum rebates for the City, staff submitted a preliminary application to **PG&E** covering the installation of 1855 LED green signal modules and 950 LED pedestrian combination hand/walking person signals; and

WHEREAS, **PG&E** has approved the City's application under its LED Traffic Signal Rebate Program and the rebates will reimburse the City **\$327,000** towards the cost of a new LED traffic signal, resulting in a net cost to the City of \$153,000.

WHEREAS, an appropriation of **\$480,000** is needed from the Transportation System Improvement Fund for a new LED Traffic Signal Project; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City's participation in **PG&E's** LED Traffic Signal Rebate Program is approved.

BE IT FURTHER RESOLVED that Resolution No. **00-089**, the Budget Resolution for Capital Projects for fiscal year **2000-2001**, is hereby amended by appropriating \$480,000 from the Transportation System Improvement Fund for a new LED Traffic Signal Project.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2000

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward